



**Rail Enhancement Fund  
Project Application Form**

Internal Use

2010010  
DRPT Tracking #

Date: January 29, 2009

**A. Name of Applicant (Name and Address)**

Port of Richmond Commission

5000 Deepwater Terminal Road

Richmond, VA 23234

**Applicant type:**

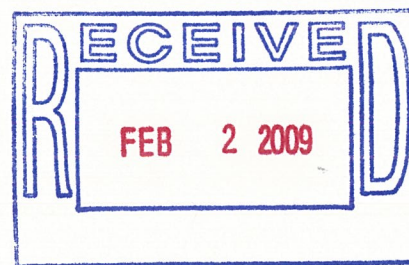
☐ Passenger Railroad

☒ Freight Railroad

☐ Locality

☐ Business

☐ Other \_\_\_\_\_



**B. Contact Information:**

Responsible Person/Title: M. David McNeel, Executive Director, Port of Richmond

Telephone: 804.646.2020 Fax: 804.271.1524 Email: david.mcneel@richmondgov.com

Project Manager/Title: Same as Responsible person

**C. Project Title: The Port of Richmond Railroad Rehabilitation Project**

**D. Project Location:** (City/County, Rail line, Railroad Mile Post, attach map)

The Port of Richmond (Port) is a 121-acre domestic and international multi-modal freight and distribution center on the James River, located at 5000 Deepwater Terminal Road in Richmond, Virginia.

**E. Owner of Property/Right-of-Way/Facility/Personal Property:** City of Richmond

**F. Responsible Party for Continuous Maintenance of Project:**

Port of Richmond Commission



## G. Project Information:

### 1) Description of Project:

The Port of Richmond Commission is requesting \$282,405 from the Commonwealth of Virginia's Rail Enhancement fund for **The Port of Richmond Railroad Rehabilitation Project.**

This proposed project would bring the entire rail track on the Port of Richmond terminal to Class 2 standards by placing 2,221 crossties and 211 switch ties; the placement of 260 tons of ballast; replacing all defective timber; machine tamping and dressing of all tracks; disposal of all scrap ties off site; and dirt removal.

A Rail Condition Study conducted by Cranemasters in January 2009 provided the scope of work above that would successfully upgrade the Port of Richmond rail track and address deficiencies in the Port's rail infrastructure.

### Background

On January 26, 2009, the Port of Richmond Commission was informed by Independent Container Line, the Port's anchor tenant of 24 years, that they would be leaving the Port of Richmond on March 18, 2009, and moving to the Port of Wilmington in North Carolina. ICL's decision was driven by business considerations: a decline in cargo volumes originating in the local Richmond area and Wilmington presenting a better strategic location for ICL to compete with the ports of Charleston and Savannah.

ICL's business represents more than 80% of the Port of Richmond's cargo/revenue.

The Port of Richmond Commission has decided to aggressively pursue new business ventures that will counter the economic impact of the loss of ICL to the Port of Richmond and to the Richmond Region – **opportunities for landside business that are only viable if the Port has a sound, railroad infrastructure.**

The Port of Richmond has approximately 1.6 miles of railroad track on the terminal facility together with yard tracks which serve private industry connecting to CSXT main line at Goode Street in the City of Richmond. The Port currently serves as an important rail transshipment center providing domestic and international rail unloading and distribution capability for shippers using CSXT and Norfolk Southern rail service in Central Virginia, and as a container freight station for cargoes to and from coastal ports. Many local industries can be served by the Port's freight rail connections to other cities on the eastern seaboard.

The Port of Richmond is a domestic and international multi-modal freight and distribution center on the James River, serving customers throughout the mid-Atlantic states. The Port is owned by the City of Richmond and is an operationally self-sufficient, free enterprise agency managed by the Port of Richmond Commission, appointed by Richmond City Council. Federal Marine Terminals, a private company, has operated the Port since 1996. The Port, which lies at the head of navigation on the James River in Richmond, has an excellent inland geographic location just off Exit 69 of I-95, with convenient access to I-64 and I-85. The Port receives strong support from local and mid-Atlantic shippers for its container services to northern Europe, the United



Kingdom, northeastern Canada, Iceland, the new container-on-barge service from Hampton Roads to Richmond, and for its specialized customer service for handling breakbulk, project cargo, and warehousing and supply chain distribution services.

## **2) Project Objective:**

**The Port of Richmond Railroad Rehabilitation Project** has as its primary objective the development of new rail freight business at the Port which would promote the economic development of the Port of Richmond and the Richmond Region. This improvement project would make a direct economic impact by attracting potential new customers to the landside operations at the Port.

## **3) Relationship to Other Projects under Development by Applicant or Previously Funded by this Program: None**

## **4) Describe the Public Benefit of Project. Identify significant types of benefits and beneficiaries from this project. (See Attachment A)**

**The Port of Richmond Railroad Rehabilitation Project** would benefit the public by generating new and increased freight rail car business that would reap economic benefits for Central Virginia and the Commonwealth of Virginia. Federal Marine Terminals, Port operator, informed the Port of Richmond Commission in their 2008 Annual Report that “We (Federal Marine Terminals) are actively pursuing rail business that could bring as many as 5,000 railcars through the terminal annually,” and “maintaining and improving the state of the current on-terminal rail infrastructure remains a significant concern in 2009.”

The Port of Richmond and the private terminals on the James River are an economic engine in Central Virginia that generate 25,200 jobs; over \$65 million of direct wages and salaries and \$9.2 million in state and local taxes, according to an economic impact study by Martin Associates. Securing monies for this project would ensure that the economic engine that is the Port of Richmond would continue to provide jobs, wages and salaries and state and local taxes, all to the benefit of the Commonwealth.

Funding **the Port of Richmond Railroad Rehabilitation Project**, a critical freight rail improvement project, would rehabilitate the Port’s rail system, promote growth at the Port of Richmond, and safety. This project represents a sound investment for all concerned: a quick turnaround, high impact project that encourages economic development. It has a public benefit equal or greater than the public investment and will only be completed in a timely manner with the assistance of this funding. This is a project whose growth orientation creates a win-win situation for the public and private sector – capital flows to a growing rail industry.

## **5) Attachment A – Project Data Information Form – Must be completed by Applicant and submitted with this application.**

## **H. Type of Project:**



- 1) ☐ New Construction ☒ Rehabilitation ☐ Study
- 2) ☒ Rail Infrastructure ☐ Rail Facility/Station  
☐ Equipment/Rolling Stock ☐ Signals/Communication Equipment
- 3) Other -

**I. Application Scope of Work Covers:**

☒ Entire Project ☐ A Phase of a Multi-Phase Project ☐ Completion Phase

**J. Project Budget Summary:**

Engineering and Design	\$ 42,332
Construction	361,103
Public Involvement (if applicable)	n/a
Other Contingency	none
Subtotal Project Budget	\$ 403,435
Total Project Budget	\$ 403,435

**K.** Attach detailed budget and schedule information. If the project is for final design, construction or procurement; then plans, specifications and reports to a preliminary engineering level (approximately 30%) should be provided to support the project cost and major features (if applicable). A sample budget and schedule is included in Appendix D.

**L.** Rail Enhancement Funds Requested in this Application: \$282,405 (70% of total project cost)

**Maximum 70% of Total Project Budget. Do not include any previous allocations or future phases.**

**M.** Local Match Required by Applicant: The Port of Richmond Commission is prepared to meet the local match requirement (30%) for the project, \$121,030.

**At least a minimum 30% of Total Project Budget**

**If Overmatch, Provide Percentage**

**1) Match Breakdown by Source (Including any in-kind match)**



a. Provider of Local Match The Port of Richmond Commission has approved the expenditure of \$121,030 for this project.

b. Status (confirmed/anticipated) Confirmed

c. Attach justification for value of in-kind match.

**2) Other Funding Sources Beyond Match Requirement**

a. Provider of Overmatch \_\_\_\_\_

b. Status (confirmed/anticipated) \_\_\_\_\_

**N. Project implementation schedule (based in months). List major milestones of the project, including environmental review and public involvement points if applicable.**

- Engineering and Design 4.5 months
- Invitation for Bid/Procurement 3 months
- Installation 4.5 months
- Total Project 12 months

**O. Statement of how this project promotes or does not preclude dual/multi-access use.**

The scope of this project is on the Port of Richmond terminal and does not preclude dual/multi-access use.

**P. List additional users of rail line, facility, and/or equipment.**

The Port of Richmond currently is used by CSX direct and Norfolk-Southern via local switch.

**Q. Identify any possible environmental or other issues/concerns within the scope of this project.** None.

**Required Attachments:**

*Application is not complete without items 1-5 completed by the Applicant and submitted with the Application.*

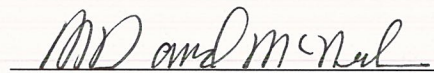


- 1. Attachment A - Project Data Information Form (Provided)**
- 2. Attachment B - Application Checklist (Provided)**
- 3. Detailed cost, budget and schedule. Include preliminary engineering to 30% report, if applicable (Sample in Appendix D) (Provided)**
- 4. Certification of Match/% of Match/Documentation of Source of Match Including Defined Match Source (Provided)**
- 5. Certification of Additive Investment (Provided)**
- 6. Statement from the Applicant/Owner of the facility that the SWAM participation goals will be achieved by the project. Not Applicable to this project**
- 7. Statement from the owner of the facility that acknowledges the Commonwealth will have a public interest in the facilities, materials, equipment and improvements funded or impacted by this project (Provided)**

**Application and Attachment Certification**

To the best of my knowledge all information contained in this application and its attachments is true. The information provided to the Virginia Department of Rail and Public Transportation (DRPT) is subject to full disclosure except where protected by Virginia Code. Any additional documentation related to this application will be provided to DRPT upon request.

**Authorized Signature and Title:**

  
\_\_\_\_\_  
*M. David McNeel, Executive Director*  
*Port of Richmond*

January 29, 2009





**Rail Enhancement Fund  
Project Application  
Completed Application Submission Information**

One signed original, twelve copies, and an electronic copy in pdf format of the completed application and required documentation must be mailed under applicant cover to:

Director  
Virginia Department of Rail and Public Transportation  
1313 East Main Street, Suite 300  
Richmond, VA 23219



## CERTIFICATION OF MATCH

Port of Richmond Commission

The Port of Richmond Commission has applied to the Commonwealth of Virginia for Department of Rail and Public Transportation Rail Enhancement Funds in the amount of \$282,405 to assist in funding the project **The Port of Richmond Railroad Rehabilitation Project**. Funding requested is \$282,405, 70% of the cost of the project.

The total estimated cost for the project is \$403,435. I hereby certify that the Port of Richmond Commission will provide 30% funding match in the amount of \$121,030, which constitutes the remaining balance of the estimated cost of the project.

M. David McNeel  
Signature

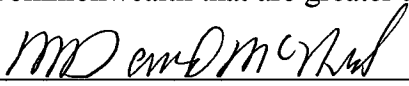
Jan 29, 2009  
Date

M. David McNeel  
Executive Director  
Port of Richmond



**CERTIFICATION OF ADDITIVE INVESTMENT**  
**Port of Richmond Commission**

I hereby certify that **The Port of Richmond Railroad Rehabilitation Project** will provide an additive investment, by adding capital improvements to the Commonwealth of Virginia's rail infrastructure, and result in public benefits to the Commonwealth that are greater than the actual amount of public funds invested.

  
Signature

  
Date

M. David McNeel  
Executive Director  
Port of Richmond





**Rail Enhancement Fund  
Project Application**

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**Attachment A  
Project Data Information Form**

Date: January 29, 2009

**Name of Applicant and Project**

**Port of Richmond Commission  
The Port of Richmond Railroad Rehabilitation Project**

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**General Instructions:** Please complete the following forms that apply to the project application.

- For Freight Service projects, complete forms A1, A2 and A5
- For Intercity/Amtrak passenger projects, complete forms A1, A3 and A5
- For Commuter/VRE passenger projects, complete forms A1, A4 and A5
- For projects that involve benefits to both freight and passenger projects, form A1 and forms A2-A4 that apply must be completed. For each completed form A2-A4, a form A5 must be completed for each category for projects resulting in multiple project benefits.

**Terms:**

**Project Cost and Construction Period:** Form A1 shall be completed with total project cost by year of expenditure with total DRPT cost identified by year of expenditure. This section must be completed for all project applications.

**Demand Characteristics:** This category of information relates to the additional demand for rail service (including freight and passenger) due to the project. This additional demand must be over and above baseline conditions that currently exist. The specific data to enter here defines initial demand, steady state demand, and the years until steady state demand is achieved.

**Steady State Demand:** This term refers to the point at which the project benefits/demand have reached a long-term, sustainable level.

**Project Impact on Travel Distance:** This category of information includes the distance that would be traveled by vehicle or train. All distances should be limited to miles within Virginia. The distance should relate directly to the project-impacted area.

**Demand Characteristics for a 15-year Performance Period:** This term refers to the project output by performance year, which will be utilized to determine the public benefits and to determine the performance requirements over the 15-year Performance Period of the Grant Agreement.



**Attachment A**  
**Form A1 – Project Cost and Construction Period**

**First Construction: \$403,435**  
**Last Construction: \$403,435**

<b>Year</b>	<b>Total Project COST</b>	<b>Total DRPT COST</b>
<b>1</b>	<b>403,435</b>	<b>282,405</b>
<b>2</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>-</b>	<b>-</b>
<b>4</b>	<b>-</b>	<b>-</b>
<b>5</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>403,435</b>	<b>282,405</b>

**Use Form A-5 to provide demand characteristics for the 15-Year Performance Period**

**Attachment A**  
**Form A2 – Freight Service**

Demand Characteristics	CATEGORY	UNITS	VALUE
	Steady state demand – diversion of freight to rail (from trucks)	Carloads/Year	TBD
	First year of diversion	Carloads/Year	TBD
	Number of years until steady state	Number of Years	TBD

Project Impact on Travel Distance	CATEGORY	UNITS	VALUE
	Rail miles in Virginia (Existing routing before project)	Miles	TBD
	Rail miles in Virginia (routing after project completion)	Miles	TBD
	Number of years until steady state	Miles	TBD

Conversions	CATEGORY	UNITS	VALUE
	Railcars per Train	Railcars/Trains	TBD
	Rail tons per Railcar	Tons/Railcar	TBD
	Trucks per Railcar	Trucks/Railcar	TBD

Other	CATEGORY	UNITS	VALUE
	Change in Daily Delay for Freight Trains	Railcars/Trains	TBD
	Reduction in Number of Rail At-Grade Crossings	Tons/Railcar	TBD

Use Form A-5 to provide demand characteristics for the 15-Year Performance Period.



**Attachment A**  
**Form A3 – Passenger Service – Intercity/Amtrak**

Demand Characteristics	CATEGORY	UNITS	VALUE
	Annual Amtrak Passengers (Existing)	Passengers/Year	Not Applicable
	Steady State Demand – Additional Amtrak Passengers	Passengers/Year	Not Applicable
	First Year Number of Additional Passengers	Passengers/Year	Not Applicable
	Number of Years Until Steady State	Number of Years	Not Applicable

Project Impact on Travel Distance & Time	CATEGORY	UNITS	VALUE
	Amtrak Passenger Trip Length (Existing)	Miles	Not Applicable
	Amtrak Passenger Trip Length (After Project Completion)	Miles	Not Applicable
	Amtrak Travel Time Per Trip (Existing)	Minutes	Not Applicable
	Amtrak Travel Time Per Trip (After Project Completion)	Minutes	Not Applicable

Use Form A-5 to provide demand characteristics for the 15-Year Performance Period.



**Attachment A**  
**Form A4 – Passenger Service – Commuter/VRE**

Demand Characteristics	CATEGORY	UNITS	VALUE
	Annual VRE Passengers (Existing)	Passengers/Year	Not Applicable
	Steady State Demand – Additional VRE Passengers	Passengers/Year	Not Applicable
	First Year Number of Additional Passengers	Passengers/Year	Not Applicable
	Number of Years Until Steady State	Number of Years	Not Applicable

Project Impact on Travel Distance & Time	CATEGORY	UNITS	VALUE
	VRE Passenger Trip Length (Existing)	Miles	Not Applicable
	VRE Passenger Trip Length (After Project Completion)	Miles	Not Applicable
	VRE Travel Time Per Trip (Existing)	Minutes	Not Applicable
	VRE Travel Time Per Trip (After Project Completion)	Minutes	Not Applicable

Use Form A-5 to provide demand characteristics for the 15-Year Performance Period.



**Attachment A**  
**Form A5 – Demand Characteristics for 15-Year Performance Period**

Performance Year	Performance Value*
1	TBD
2	TBD
3	TBD
4	TBD
5	TBD
6	TBD
7	TBD
8	TBD
9	TBD
10	TBD
14	TBD
12	TBD
13	TBD
14	TBD
15	TBD
Total	TBD

\* For Freight Service Projects – car loads or containers per year  
 For Inter-City / Amtrak Passenger Projects – passengers per year  
 For Commuter / VRE Passenger Projects – passengers per year



**Rail Enhancement Fund  
Project Application Checklist  
Attachment B**

Internal Use

DRPT Tracking #

Date: January 29, 2009

**Name of Applicant and Project:  
Port of Richmond Commission**

**The Port of Richmond Railroad Rehabilitation Project**

**Checklist for Application**

1. Project is consistent with goals of applicable adopted state, regional and/or local plans.

☒ Yes      ☐ No

2. Project is an Additive Investment to Virginia.

☒ Yes      ☐ No

3. Project provides for, or does not preclude, shared or dual access opportunity.

☒ Yes      ☐ No

4. Applicant has provided documentation and certification of at least a minimum 30% match.

☒ Yes      ☐ No

5. Applicant has provided an environmental review plan and/or public involvement plan, if applicable, and required budget for this activity as outlined in Appendix D.

☐ Yes      ☒ No

6. Application is complete, including signature and specified number of hard copies and an electronic (pdf file) copy; and Applicant has reviewed the Standard Agreement as provided in Appendix C.

☒ Yes      ☐ No



## Detailed Budget and Schedule Information

### Budget Information:

Engineering and Design	\$ 42,332
Construction	361,103
Public Involvement	n/a
Other Contingency	none
Subtotal Project Budget	\$403,435
Total Project Budget	\$403,435

### Schedule Information:

Engineering and Design	4.5 months
Invitation for Bid/Procurement	3 months
Installation	4.5 months
Total Project	12 months

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RICHMOND MARINE TERMINAL  
REPLACE ALL DEFECTIVE TIMBER

